

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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MOTOROLA, INC., a Delaware Corporation,

Plaintiff,

v.

GAD ABECKASER A/K/A GADI ABECKASER,
GADI'S CELL, INC. D/B/A GADICELL, INC.,
AND GADICELL, GADIS INC., MOBILE
CELLULAR, INC., VARIOUS JOHN DOES,
JANE DOES AND ABC COMPANIES,

Defendants.
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Civil Action No.: 07-3963 (CPS)

**PLAINTIFF MOTOROLA, INC.'S LOCAL CIVIL
RULE 56.1 STATEMENT OF MATERIAL FACTS AS TO
WHICH THERE IS NO GENUINE ISSUE TO BE TRIED**

Pursuant to Local Civil Rule 56.1 of the Local Civil Rules of this Court, plaintiff Motorola, Inc. ("Plaintiff" or "Motorola"), respectfully submits this statement of material facts as to which it contends there is no genuine issue to be tried.

A. The Parties to this Action

1. Plaintiff Motorola is a corporation organized and existing under the laws of the State of Delaware and has a principal place of business at 1303 E. Algonquin Road, Schaumburg, Illinois 60196. Complaint, dated September 21, 2007 ("Complaint"), ¶1.¹

¹ The undisputed facts set forth herein are followed by citations to their support in the pleadings, relevant documentation, the Declaration of David Lukasik, dated September 28, 2007 (the "Lukasik Dec."), all previously submitted to the Court, and the Declaration of Eddy Salcedo, Esq., dated January 21, 2009 (the "Salcedo Dec."). Copies of the Lukasik Dec., the pleadings and other relevant documentation cited herein are annexed to the accompanying Salcedo Dec.

2. Defendant Gad Abeckaser, a/k/a Gadi Abeckaser (“Gadi”) is an individual resident of New York, residing at 1082 E. 29th Street Brooklyn, New York 11210, who owns and controls defendants Gadi’s Cell, Inc. d/b/a Gadicecell, Inc., Gadicecell, Mobile Cellular, Inc. and upon information and belief, Gadis Inc. Complaint ¶2; Answer ¶2; Lukasik Dec. ¶¶ 6, 7.

3. Defendant Gadi’s Cell, Inc. is a New York Corporation, doing business at, among other places, 1082 E. 29th Street, Brooklyn NY 11210 and 159 42nd Street, Brooklyn, NY 11232, and does business as Gadicecell, Inc. and Gadicecell. Complaint ¶2; Lukasik Dec. ¶7.

4. Defendant Gadis Inc., is a New York Corporation, with a New York Department of State Process address at 159 42nd Street, Brooklyn, NY 11232 (“Gadis Inc”). Complaint ¶2.

5. Defendant Mobile Cellular, Inc. is a New York Corporation doing business at 159 42nd Street, Brooklyn, NY 11232 (“Mobile Cellular”)². Complaint ¶2; Lukasik Dec. ¶7

B. The Motorola Trademarks

6. For many years, Motorola has used the trademark word trademark



MOTOROLA® and design trademark comprised of a STYLIZED M Design ® (collectively the “Motorola Trademarks”) continuously on, and in connection with, the design, manufacture and/or sale of, *inter alia*, mobile communication devices and accessories in interstate and intrastate commerce. Complaint ¶12; Lukasik Dec. ¶¶2, 3, 5.

² Defendants Gad Abeckaser a/k/a Gadi Abeckaser, Gadi’s Cell, Inc. d/b/a Gadicecell, Inc. and Gadicecell, Gadis Inc., and Mobile Cellular, Inc. are collectively hereafter referred to as “Defendants.”

7. The Motorola Trademarks are registered on the Principal Register of the United States Patent and Trademark Office for multiple goods including the following:

<u>Trademark</u>	<u>Registration Number</u>
MOTOROLA	717,485 in International Class 9 Registered June 27, 1981
MOTOROLA and STYLIZED M Design	1,680,185 in International Class 9 Registered March 24, 1992
STYLIZED M Design	1,674,103 in International Classes 9 Registered February 4, 1992

Complaint ¶13; Exhibit 1 to the Complaint; Lukasik Dec. ¶2.

8. Motorola is the owner of the, Motorola Trademarks in each of the above registrations. All of these registrations are valid, subsisting, and in full force and effect. In addition, all of these registrations have become incontestable pursuant to 15 U.S.C. § 1065. Complaint ¶14.

9. Motorola maintains strict control over the nature and quality of merchandise bearing the Motorola Trademarks. Complaint ¶15; Lukasik Dec. ¶5.

10. Merchandise designed, manufactured and/or sold by Motorola and bearing one or more of the Motorola Trademarks (hereinafter “Authorized Merchandise”) has been advertised and sold throughout the United States and within the State of New York and this District. Complaint ¶16; Lukasik Dec. ¶4.

C. Defendants' Purchase, Possession and Sale of Counterfeit Motorola

11. On March 6, 2007, U.S. Customs and Border Protection ("U.S. Customs") sent notice to Defendants that U.S. Customs had seized merchandise imported by Defendants which bore counterfeit Motorola Trademarks. Lukasik Dec. ¶10; Exhibit E to the Lukasik Dec.

12. The U.S. Customs notice specifically referenced the seizure of: (a) 1029 Manuals; (b) 1087 Boxes, (c) 100 Liners; (d) 99 Power Cords [chargers]; (99) Data Cables and (99) Software [CD ROMS], bearing counterfeit Motorola Trademarks. Exhibit E to the Lukasik Dec.

13. On March 29, 2007, DHL Express sent notice to Defendants regarding the seizure. Exhibit E to the Lukasik Dec.

14. On May 23, 2007, Plaintiff sent a cease and desist letter to Defendant Gad Abeckaser, directing that Defendants immediately cease and desist from importing, offering for sale and selling merchandise bearing counterfeit Motorola Trademarks (the "Cease and Desist Letter"). Lukasik Dec. ¶10; Exhibit D to the Lukasik Dec.

15. Defendant Gad Abeckaser personally signed for the receipt of the Cease and Desist Letter on May 24, 2007. Lukasik Dec. ¶10; Exhibit D to the Lukasik Dec.

16. Despite the notice from U.S. Customs and the Cease and Desist Letter, on or about June 13, 2007 and August 30, 2007, several items were purchased from Gadi's Cell, Inc. a/k/a Gadicell, Inc., by private investigators acting on Motorola's behalf and by members of the New York City Police Department, and upon examination were determined to bear counterfeit

duplications of the STYLIZED M Design



® directly on the products, and counterfeit

duplications of the MOTOROLA® word mark and the STYLIZED M Design mark on the packaging for the products. Complaint ¶19; Lukasik Dec. ¶6.

17. On September 5, 2007, based on, among other things, the counterfeit merchandise purchased in June and August, search warrants were issued and thereafter executed at the 159 42nd Street, Brooklyn, NY 11232, and 4202 Third Avenue, Brooklyn, NY 11232, business locations for Defendants. Lukasik Dec. ¶6.

18. At these locations, the New York City Police Department confiscated more than 4,000 headsets and 360 cell phones bearing or packaged with counterfeit duplications of the of



the STYLIZED M Design ® and MOTOROLA ® marks and more than 62,000 counterfeit packaging inserts bearing counterfeit duplications of the STYLIZED M



Design ® and MOTOROLA ® marks. Lukasik Dec. ¶7; Exhibit A to the Lukasik Dec.

19. The retail value of the counterfeit merchandize seized was in excess of \$500,000. Lukasik Dec. ¶7.

20. If all of the 62,000 counterfeit packaging inserts were affixed to and sold with cellular telephone headsets, the retail value of the products would be more than \$5,000,000. Lukasik Dec. ¶7.

21. During the execution of the search warrants, the New York City Police Department and David Lukasik witnessed that the Defendants were operating an assembly line and warehouse facilities for creating counterfeit duplications of the Motorola Marks,

systematically placing same on, among other things, packaging inserts for headsets and cell phones, in addition to packaging counterfeit headsets and cell phones. Lukasik Dec. ¶8.

22. Based on Plaintiff's investigation and the New York Police Department investigation, it is apparent that Defendants have engaged in a substantial wholesale counterfeiting enterprise selling counterfeit Motorola merchandise. Lukasik Dec. ¶9.

23. Defendants' sales records, obtained during the execution of the search warrants, show that Defendants' issued invoices for \$1,178,590 in March 2007, a period of time when Defendants' are known to have been selling counterfeit Motorola merchandise. Lukasik Dec. ¶9; Exhibit C to Lukasik Dec.

24. Two employees of Defendants were arrested on September 5, 2007, for the sale of the counterfeit merchandise. Lukasik Dec. ¶13.

25. By Stipulation dated October 3, 2007 (the "Stipulation"), Defendants agreed to, *inter alia*: (a) refrain from, in any way: using Motorola's Trademarks or any reproduction, counterfeit, copy or colorable imitation of Motorola's Trademarks in connection with the manufacture, distribution, importation, exportation, advertising, offer for sale and/or sale of merchandise not the genuine products of Motorola; (b) refrain from shipping, delivering, holding for sale, distributing, returning, transferring or otherwise moving, storing or disposing of in any manner apparel or other items falsely bearing Motorola's Trademarks, or any reproduction, counterfeit, copy or colorable imitation of same; and (c) provide Motorola with complete access to all warehouses, store locations, storage locations and/or offices for the inspection of Defendants' business records and to inventory of merchandise. Exhibit M to the Salcedo Declaration.

26. On October 30, 2007, Motorola conducted the inspection of Defendants' business locations at 202 3rd Avenue, Brooklyn New York and 159 42nd Street Brooklyn, New York, called for in the Stipulation. Salcedo Dec. ¶33.

27. During the inspection, the following types of merchandise, bearing counterfeit



duplications of the of the STYLIZED M Design ® and MOTOROLA ® marks were found: (a) counterfeit packaging inserts bearing counterfeit duplications of the Motorola Trademarks; (b) Mobile Phone Tools computer CD ROMS; and (c) quick-start cellular phone chargers. Salcedo Dec. ¶34.

28. The counterfeit items set forth in paragraph "16" hereof, together with the items set forth in paragraph "25" hereof, were offered for sale by Defendants. Complaint ¶19; Lukasik Dec. ¶¶6, 7; Salcedo Dec. ¶19, 23.

Dated: New York, New York
January 21, 2009

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